



SECTION 1 PLAN OVERVIEW



BACKGROUND

The Coyote Valley Specific Plan (CVSP) area consists of 7,000 acres of mostly undeveloped land in the southern reaches of the City of San José. It is generally bounded by Tulare Hill to the north, Highway 101 to the east, the City of Morgan Hill to the south and the foothills to the west. The CVSP area is divided into three sub-areas, each with a different land use designation in the San José 2020 General Plan: the North Coyote Valley Campus Industrial Area (1,400 acres), the Mid-Coyote Urban Reserve Area (2,000 acres), and the South Coyote Valley Greenbelt Area to the south (3,600 acres).

Over two decades ago the City of San José made smart-growth decisions for Coyote Valley that would provide balanced development in San José and benefit the overall region. The North and Mid-Coyote Valley areas have been planned for urban development since 1961. The Mid-Coyote Valley Urban Reserve and the South Coyote Valley Greenbelt areas were established in 1984 with the adoption of the Horizon 2000 General Plan, and later affirmed in 1994 when the City Council adopted the 2020 General Plan.

The City's San José 2020 General Plan designates North Coyote Valley Campus Industrial area for industrial development to ensure a stable economic base and new jobs; Mid-Coyote Valley Urban Reserve area for residential development after jobs are in place in North Coyote Valley; and South Coyote Valley for a greenbelt to ensure a non-urban buffer between San José and Morgan Hill. The Greenbelt is an overlay designation that allows a variety of base land uses including Agriculture, Private Recreation, Public Park/Open Space and Public/Quasi Public).

The General Plan also establishes "triggers," or prerequisite conditions, to ensure that industrial development preceded housing development in the Urban Reserve, so the community would have the financial resources to support quality public services for residents. The

prerequisite conditions include: building permits for 5,000 jobs in North Coyote Valley Campus Industrial Area and a stable and predictable City fiscal condition based on specific criteria and assurance that developing Coyote Valley would not diminish service levels elsewhere in San José.

While the development of the Coyote Valley was originally beyond the scope of the San José 2020 General Plan, the Plan provides the vision and broad parameters, which provided the basis for the form and nature of any future planning efforts in this area. In 2001, as Santa Clara Valley faced a downturn in the economy, accompanied by reduced development pressure, the City Council considered revisions to the General Plan to allow earlier planning in Coyote Valley. The City believed this was the right time to begin the planning effort in Coyote Valley, so that when development triggers were met in the future, the City would be prepared to move forward with a Specific Plan in place to guide the creation of a new Coyote Valley community through exemplary urban design.

In June 2001, the City Council approved the Mayor's recommendations to change the Coyote Valley Urban Reserve Trigger to allow planning for the development of the Coyote Valley Specific Plan, based on recommendations from the Housing Production Team's report.

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On November 20, 2001, the Council adopted a text amendment to the General Plan (GP01-T-33), which allowed for the preparation of a Specific Plan for North and Mid-Coyote Valley. The prerequisite requirement for jobs to precede housing was not changed, and a Specific Plan was required to be prepared prior to any development in the Coyote Valley Urban Reserve.

Consistent with this text amendment, on August 20, 2002, the City Council, in keeping with the planning process set forth in the General Plan for the Coyote Valley, initiated the Coyote Valley Specific

Plan process by appointing a 20-member Task Force. The Task Force, originally under the leadership of co-chairs Mayor Ron Gonzales and Councilmember Forrest Williams, was directed to guide the preparation of a comprehensive and practical plan for the future of Coyote Valley. The Task Force held its first meeting on September 10, 2002.

Of the three sub-areas of the Coyote Valley, all of North Coyote and about 16% of Mid-Coyote have been previously annexed into San José. The remainder of the land is under the jurisdiction of the Santa Clara County. Following the

City Council's adoption of the Specific Plan, the City would work with the Local Agency Formation Commission (LAFCO) to expand the City's Urban Services Area Boundary (USA) to include Mid-Coyote, and annex the remaining unincorporated properties in preparation for future urban development. About 20% of the Greenbelt is under the jurisdiction of the City of San José, and about 80% is under the County's. The City does not intend to annex additional property outside the Urban Growth Boundary, therefore, all existing Greenbelt properties not previously annexed into the City would remain under County jurisdiction.

SCOPE OF THE SPECIFIC PLAN The Coyote Valley Specific Plan establishes the location, intensity and character of land uses, the circulation pattern and necessary infrastructure improvements to support development, the location and configuration of parks and community facilities within the area, and the implementation actions required to realize the plan's objectives. As such, the Specific Plan provides detailed policy direction, elaborating upon the San José 2020 General Plan which is the principle tool that guides growth and development within the City.

The CVSP would be incorporated into the San José 2020 General Plan as the Coyote Valley Planned Community. The San José 2020 General Plan would describe the land uses permitted within Coyote Valley and incorporate the major objectives and policies described in the Specific Plan.

Authority to Prepare the Coyote Valley Specific Plan

The authority for the preparation of Specific Plans is found in the California Government Code Section 65450 through 65457. The purpose of a Specific Plan is to provide detailed direction for development in a defined geographic area. By State Law, specific plans must include a text and diagrams that define: distribution, intensity and location of land uses in the plan area; location and type of infrastructure needed to support the plan; standards and criteria by which development should proceed; and implementation

measures, including regulations, programs, public works projects and financing measure necessary to carry out the plan.

In addition, San José has a City Council Policy and Municipal Code requirements governing the preparation of specific plans. The Policy indicates that a specific plan may be prepared for sites that are at least 50 acres in size with a minimum of ten parcels having ten different property owners. The Policy also provides guidance on community involvement in the development of a specific plan.

Relationship to the General Plan

Specific plans must be consistent with the Major Strategies and Goals and Policies of the General Plan. The major features of the specific plan would be placed directly into the General Plan through the general plan amendment process as the Coyote Valley Planned Community.

The specific plan is a separate policy document, which provides the background, vision and community character for the Coyote Valley Planned Community. The CVSP also provides more detailed implementation strategies than the General Plan. Any proposed development project must be consistent with the Coyote Valley Planned Community in the General Plan and the CVSP. Revisions to adopted specific plans may be made through the City's established process for General Plan amendments.

Relationship to Existing Zoning

When the Coyote Valley Specific Plan is considered for adoption, the Council would also consider zoning actions to add a new chapter to San José's zoning code focused on Coyote Valley. In addition, zoning would also be adopted for each parcel to implement the specific plan land use designations. The existing

zoning of individual properties already in San José's corporate limits would be replaced by a form-based zoning code to the Coyote Valley zoning districts. Properties not yet annexed in San José would be "prezoned" with one of the new Coyote Valley zoning districts. The new Coyote Valley code would regulate the intensity of uses, the height, bulk and setback of structures and consequently ensure that land is used in a manner that best serves the health, safety and general welfare of the entire community. The Coyote Valley form-based zoning is expected to define an attractive public realm to allow the community to grow over time.

Relationship to CEQA

The basic purposes of the California Environmental Quality Act (CEQA) are to inform governmental decision makers and the public about the potentially significant environmental effects of proposed activities, and to identify ways that potential environmental damage can be avoided or significantly reduced. An Environmental Impact Report (EIR) is analyzing the potential impacts and identifying appropriate mitigation measures for the CVSP.

Work on the existing environmental setting for the CVSP EIR commenced prior to the preparation of any land

use plans. Technical experts, such as hydrologists, biologists, and geologists, compiled information about the existing environmental setting. This information was used in the preparation of land plans and project design in order to prevent or avoid potentially significant impacts to the environment. Environmental impact analysis, in accordance with CEQA, commenced with preparation of the "project description" in November 2005.

The CVSP EIR is intended to provide clearance for the adoption of:

- San José 2020 General Plan Amendment(s)
- The Coyote Valley Specific Plan
- Zoning Code Amendment(s)
- The Urban Service Area Expansion
- Construction of "backbone infrastructure"
- Annexation

Additional subsequent environmental review may be required for individual CVSP projects prior to the issuance of contracts for public projects, prior to issuance of building/grading permits, or prior to construction, depending upon particular environmental circumstances. The intent is to avoid the need to require additional EIRs for individual projects. However, Negative Declarations may be required in certain instances, which would be determined on a case by case basis.

Relationship to National Environmental Policy Act (NEPA)

The CVSP would result in potential impacts to lands subject to Federal jurisdiction. Therefore, additional specific criteria were added to the CEQA regulated EIR. In Coyote Valley's case this is most directly associated with modifications to the FEMA mapped flood plains, wetlands impacts, creek impacts, and plans to restore and relocate Fisher Creek to its historic and natural flow line.

(Figure 1, Coyote Valley Location Map, under preparation.)

Local Agency Formation Commission (LAFCO)

Upon completion of the CVSP and the subsequent approval of the amendments to the General Plan, the portion of the Plan not located within the City of San José would require expansion of the urban service area (USA) into the City. Prior to annexation, USA approval must be received from the Santa Clara County LAFCO.

PLANNING APPROACH AND PROCESS

To guide the preparation of the Coyote Valley Specific Plan, the City Council appointed a 20-member task force co-chaired by City Councilmembers Forrest Williams and Ron Gonzales (who was later succeeded by Nancy Pyle). This appointment was made on August 20, 2002, in concert with the initiation of the specific plan consistent with the planning process set forth in the San José 2020 General Plan for the Coyote Valley Urban Reserve. The Task Force was directed to guide the preparation of a comprehensive and practical plan for the future of Coyote Valley, and held its first meeting on September 10, 2002. Staff from the City Planning, Building, and Code Enforcement Department and a team of professional consultants have assisted the CVSP Task Force in this planning effort.

As an advisory body to the City Council, the Task Force's primary role was to make specific land use, environmental protection, public facilities, infrastructure, financing and other recommendations for the Specific Plan. The composition of the Task Force was well balanced and included the wide range of perspectives and interests associated with this area and San José. It consisted of elected officials from several public agencies; volunteer commissioners; landowners; and environmental, labor, and business advocates. Together they worked hard to ensure that the Specific Plan accurately reflects the City Council's roadmap for the Coyote community and the smart growth principles of the 2020 General Plan.

By the adoption of the Specific Plan, the Task Force would have met monthly over a period of five years and more than 60 public meetings. The average

audience attendance at Task Force meeting was approximately 75 people.

Given the scale, complexity, civic and regional significance of the CVSP, the Task Force developed an extensive multi-disciplinary and interactive community participation plan for use throughout the planning process. The degree of outreach and public participation in the CVSP was unprecedented for any previous planning effort in San José. In keeping with the outreach plan, the Task Force identified a variety of forums and outreach mechanisms to engage all interested persons in the community in the development of the Plan. In addition to Task Force meetings, the outreach plan included Technical Advisory Committee (TAC) meetings, community meetings, property owner meetings, focus groups, Environmental Impact Report (EIR) Scoping meetings, as well as extensive

newspaper, television and radio coverage and a current website. Community newsletters were periodically published to explain critical stages of the Plan. These colorful brochures featured maps, drawings, meeting information, photos, highlights of the planning process and business reply cards with CVSP questions and comments.

Under the direction of the Task Force, the Plan was drafted to balance and incorporate the input obtained from these various meetings. The development of the Plan was an iterative process of input gathering, concept derivation and consideration of alternatives, and the refinement and subsequent development of preferred alternatives. From the start, the Coyote Valley Specific Plan has been a product of close collaboration and deliberation of ideas from public input and based on consensus amongst the Task Force.

BLUEPRINT FOR COYOTE VALLEY: COUNCIL'S VISION AND EXPECTED OUTCOMES

The City's Overall Vision for Coyote recognizes that Coyote Valley is somewhat isolated from the rest of San José and future development would need to be in the form of a new community, comprehensively planned with jobs, housing, commercial and community facilities, schools, parks, residential services, infrastructure and public transit. The new community should be a very urban, pedestrian and transit-oriented mixed use community with a minimum of 25,000 new housing units and 50,000 industry-driving new jobs exclusive of retail service and government jobs. Land uses are to be connected through a rich network of open spaces, trails, bicycle paths, roads and transit.

Based on these overarching principles, the City Council adopted Vision and Expected Outcomes, for the development of the Coyote Valley Specific Plan (CVSP):

1. The Plan would include Central and North Coyote for land planning and would include South Coyote in the infrastructure financing mechanism only. South Coyote (Greenbelt) is included only to determine financing and other mechanisms to secure this as a permanent Greenbelt.
2. The line (Greenline) between Central and South shall not be moved.
3. The line between North and Central could be erased to allow for mixed-use throughout as long as 25,000 housing units in Central and 50,000 jobs in North remain as a base. Then, jobs can be added in Central Coyote and housing in North Coyote to achieve mixed-use or develop a property owner agreement to "trade" jobs and housing counts to achieve mixed-use goal.
4. The overall development character of North and Central Coyote Valley should be very urban, pedestrian and transit-oriented community with a mixture of housing densities, supportive businesses and services and campus industrial uses.
5. The Specific Plan should plan for the extension of light rail and heavy rail into Central Coyote and use these facilities to orient development.
6. We shall maximize efficient land usage; i.e., the 25,000 units and 50,000 jobs are both minimums. In North and Central Coyote combined, the total development potential is at least 50,000 jobs and at least 25,000 housing units. Through the Specific Plan process we shall determine the distribution of that potential across north and mid, including mixed-use concepts.
7. It will be important to distinguish that the 50,000 jobs referenced are primarily industrial/office jobs, not the additional retail support or public/quasi-public jobs (e.g., City workers) that must also be accommodated in the Plan area for a vibrant, mixed-used, urban community.
8. Identify locations for public facilities (libraries, parks, schools, etc.) in the land use plan as well as include these facilities in the financing plan.
9. North and Mid-Coyote should contain a rich system of parks, trails, and recreation areas.
10. The identification of financing measures for the needed capital improvements to support the planned levels of development.
11. The plan must be financially feasible for private development.
12. The plan must develop trigger mechanisms to ensure that increments of housing may not move forward until the appropriate number of jobs are constructed in a parallel timeline to maintain a jobs/housing balance in Coyote Valley.
13. The Task Force should review the potential to utilize "sub-regions" of the valley that will incorporate jobs and housing that can move forward when the subregion has ability to finance the appropriate infrastructure. Residential projects will be issued building permits in parallel with the development of jobs when either the projects are purely mixed-use in their construction or the jobs and housing are constructed simultaneously.
14. The plan should seek mechanisms to facilitate the permanent acquisition of fee title or conservation easements in South Coyote.
15. The plan should allow for the current General Plan budget triggers to be changed to triggers based upon the Valley or its sub-regions jobs and housing revenues covering the General Fund cost of services.
16. The plan shall include a requirement that will mandate 20 percent of all units be "deed-restricted, below-market-rate units."